COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASE	D WATE	R ADJUSTMENT	OF)			
MILFORD V	WATER	COMPANY)	CASE	NO.	94-053

O R D E R

On February 3, 1994, Milford Water Company ("Milford") filed its application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KAR 5:067.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

- 1. Milford purchases water from Richmond Water, Gas and Sewerage Works ("Richmond").
- 2. Effective January 1, 1994, Richmond will increase its rates for wholesale water from \$1.50 per cubic feet to \$1.54 per cubic feet. Based on an average monthly usage of 5,000 gallons, monthly bills to Milford's customers will increase from \$21.95 to \$22.25, an increase of 1.35 percent.
- 3. Milford proposed to increase the rates to its customers effective April 1, 1994.
- 4. During the 12 months ending November 30, 1993, Milford purchased 70,427,192 gallons of water and sold 56,693,440 gallons.
- 5. Milford's calculations are correct and show an increase in purchased water cost of \$3,565.94, resulting in a purchased water adjustment of 6 cents per 1,000 gallons.

6. The purchased water adjustment of 6 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment of 6 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after April 1, 1994.
 - 2. Milford's proposed tariff is approved.
- 3. Within 30 days of the date of this Order, Milford shall file verification that the notice to its customers has been given.

 Done at Frankfort, Kentucky, this 7th day of March, 1994.

PUBLIC SERVICE COMMISSION

Chairman

THE CHAIR THAT

Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-051 DATED March 7, 1994.

The following rates and charges are prescribed for the customers in the area served by Milford Water Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates:

First	2,000	gallons	\$11.43 (Minimum Bill)
Next	2,000	gallons	3.79 per 1,000 gallons
Next	2,000	gallons	3.24 per 1,000 gallons
Over	6,000	gallons	2.84 per 1,000 gallons